REMARKS

This Amendment is responsive to the papers identified above, and is further responsive in any other manner indicated below.

EXAMINER INTERVIEW ACKNOWLEDGED/STATEMENT OF SUBSTANCE

This paper is responsive to the Examiner Interview conducted 27 May 2004, by and between assigned Examiner Thanhnga B. Truong and attorney Paul J. Skwierawski, in the present application. During the Interview, no agreement was reached, but an improved understanding of the Examiner's position was obtained. The foregoing amendments may include amendments discussed during, or resultant from, the Examiner Interview, and the following includes a reiteration of discussions/arguments had during the Examiner Interview.

This Statement is being submitted in accordance with 37 CFR §1.133(b).

PENDING CLAIMS

Claims 1-7 were pending, under consideration and subject to examination in the Office Action. Appropriate claims have been amended in order to adjust a clarity and/or focus of Applicant's claimed invention. Such changes are unrelated to any prior art or scope adjustment. This continuation application was filed not to acquiesce regarding the rejections, but instead, to gain entry of further "system" Claims 10-15. It is respectfully noted that such "system" Claims 10-15 substantially parallel apparatus Claims 1-4, 8 and 9, respectively, and that such claims are supported within Applicant's original disclosure, for example, at page 8, lines 27 *et*

seq. and FIG. 1. At entry of this paper, Claims 1-15 will be pending for further consideration and examination in the application.

ALL REJECTIONS UNDER 35 USC §§102 AND 103 - TRAVERSED

All 35 USC rejections (*i.e.*, the 35 USC §102 rejection of Claims 1-4, 6 and 7 as being anticipated by Kori *et al.* (US 6,480,607 B1); and, the 35 USC §103 rejection of Claim 5 as being unpatentable over Kori *et al.* in view of Traw *et al.* (US 5,949,877 A)) are respectfully traversed.

All descriptions of Applicant's disclosed and claimed invention, and all descriptions and rebuttal arguments regarding the applied prior art, as previously submitted by Applicant in any form, are repeated and incorporated herein by reference. Further, all Office Action statements regarding the prior art rejections are respectfully traversed.

It is respectfully noted that Claims 1-7 have NOT been amended as the rejections are **WHOLLY UNSUPPORTED BY THE APPLIED REFERENCES**. As traverse, Applicant respectfully submits the following.

In order to properly support a §102 anticipatory-type rejection, any applied art reference must disclose each and every limitation of any rejected claim, and in order to properly support a §103 obviousness-type rejection, any applied art references must not only teach the invention, but must also themselves contain the motivation for modifying the art to arrive at an approximation of the invention. The applied art does not adequately support a §102 anticipatory-type rejection or a §103

obviousness-type rejection because, at minimum, such applied art does not disclose (or suggest) the following discussed limitations of Applicant's claims.

More particularly, regarding independent Claim 1 (and Claims 2, 4, 8 and 9 dependent therefrom), at minimum, neither of the applied Kori *et al.* or Traw *et al.* references discloses or suggests Applicant's limitations of "an electronic watermark detection means for detecting an electronic watermark information indicative of a copy management information, including at least copy prohibition which is superimposed onto the video or audio information, in a case where the video or audio information recorded in said storage medium is detected in said encryption system detection means as being not encrypted in accordance with the predetermined encryption system." Such feature/limitations are already within Applicant's claims (and were in Applicant's original claims), and adequately distinguish Applicant's invention from the cited art.

Turning first to continue rebutting the primary Kori *et al.* reference, it is respectfully noted that (in contradistinction to Applicant's claimed feature) Kori *et al.*'s watermark unit 35 **WILL ALWAYS FAIL TO GET DATA AND WILL NOT OPERATE DURING ANY TIMES WHEN KORI *et al.*'S CSS DECODER 31 MIGHT ENCOUNTER VIDEO OR AUDIO INFORMATION "NOT ENCRYPTED IN ACCORDANCE WITH A PREDETERMINED ENCRYPTION SYSTEM."** More particularly, Kori *et al.*'s Column 9, lines 35-39, explicitly state that if decryption cannot be effectuated in one of the first or second CSS decoders 31, 32, then "ensuing processing cannot be effected." Simply put, if Kori *et al.*'s first CSS decoders 31 cannot decrypt, **IT CANNOT OUTPUT DATA FORWARD TO KORI *et***

***al.*'S WATERMARK UNIT 35. HENCE, WITHOUT RECEIPT OF DATA, KORI *et al.*'S WATERMARK UNIT 35 CERTAINLY CANNOT PERFORM (OR SUGGEST) APPLICANT'S CLAIMED FEATURE OF DETECTING DURING TIMES WHEN DECRYPTION FAILS.**

Traw *et al.* fails to cure the major deficiency mention above with respect to the primary Kori *et al.* reference, *i.e.*, Traw *et al.* appears to have been cited mainly for its teachings regarding Authentication and Key Exchange) AKE in an attempt to meet Applicant's claim 5's AKE feature.

As an aside topic, during the aforementioned Examiner Interview, the Examiner questioned whether the above mentioned/emphasized limitations were adequately supported within Applicant's original disclosure. Applicant and the undersigned respectfully submit that such limitations **were (and are)** supported by the original disclosure. More particularly, at minimum, specification page 10, lines 2-10, FIG. 2 and the Abstract (page 22, lines 6-8) all support such limitations.

Applicant's original disclosure teaches at least two differing ways that Applicant achieves means for detecting an electronic watermark information in a case where the video or audio information recorded in the storage medium is detected in the encryption system detection means as being not encrypted in accordance with the predetermined encryption system. As a first example, attention is directed first to Applicant's FIGs. 1 & 2. Note within FIG. 1 that Applicant's data flow, encryption detection and watermark detection occur substantially in parallel, and that the switch 30 is used to either pass or not-pass the data (see "Reproduction" column in FIG.2).

Because Applicant's FIG. 1 encryption detection branch and watermark detection branch operate in parallel, decisions in EITHER BRANCH may be used to pass or not-pass the data, *i.e.*, there is no road-block to data like that in the Kori *et al.* arrangement. Hence, note Applicant's FIG. 2's "Encryption System Detection" and "Watermark Detection" columns reflect such parallel operation. In describing FIG. 2 further, in the middle "Predetermined System" row, the encryption detection operation has detected that the medium's data is recorded with an expected (*i.e.*, "predetermined") encryption, and thus data passing (*i.e.*, reproduction) is allowed. Note that this is IRRESPECTIVE of watermark detection (*i.e.*, the watermark detection operation is irrelevant).

More important to Applicant's claimed invention is FIG. 2's bottom row. With this row, the encryption detection operation has detected that the medium's data is NOT recorded with an expected (*i.e.*, "predetermined") encryption. In this case, Applicant's watermark detection operation then decides whether data passing (*i.e.*, reproduction) is allowed. If a watermark IS DETECTED, data passing is DENIED; if a watermark IS NOT DETECTED, data passing is allowed. The important aspect to note with respect to the present discussions is that **Applicant's "WATERMARK DETECTION" OPERATES IN CASES WHERE ENCRYPTION DETECTION DETECTS THAT A MEDIUM'S DATA IS NOT RECORDED WITH AN EXPECTED (*I.E.*, PREDETERMINED) ENCRYPTION**. Again, Kori *et al.*'s arrangement does NOT.

A second way that Applicant's disclosure teaches for achieving the above features/operations is shown, for example, by Applicant's FIG.5. More particularly, in

such embodiment, Applicant's decryption and watermark detection arrangements are more in series (as opposed to being in parallel like FIG. 1). Such embodiment includes a switch 120 to allow either a decrypted output from the decryption unit 80, or a non-decrypted output to be passed forward to the decoder 130 and watermark detection unit 20. Hence, even if Applicant's decryption unit 80 cannot decrypt due to an unexpected encryption, such will NOT serve as a data roadblock, and instead, by-passed data can pass forward for watermark detection operations.

In terms of claim language, Applicant's original and present independent Claims 3 and 5 contain the relevant limitations, "a selecting means for switching between an output of said decryption means and an output without using said decryption means". In rebuttal of Kori *et al.*, it is respectfully noted that Kori *et al.* neither disclosed nor suggested any type of switch arrangement for bypassing Kori *et al.*'s first CSS decoder 31 (or second CSS decoder 32). Hence, Kori *et al.* does not adequately support any §102 or §103 rejection of Applicant's Claims 3 and 5.

Traw *et al.* fails to cure the major deficiency mention above with respect to the primary Kori *et al.* reference.

Turning next to added dependent Claim 8, such claim distinguishes from the applied art in yet another way. More particularly, such claim recites the limitations "wherein the electronic watermark detection means is connected to receive and use non-decrypted video or audio information for detecting an electronic watermark information indicative of a copy management information". In contrast, it is respectfully noted that Kori *et al.*'s watermark unit 35 appears to ALWAYS receive

the decoded output from Kori *et al.*'s first CSS decoder 31. Likewise, Traw *et al.* does not cure such deficiency.

Regarding added "system" Claims 10-15, such claims substantially parallel apparatus Claims 1-4, 8 and 9, respectively, and accordingly, it is respectfully submitted that such claims are patentable over the prior art of record for the same reasons set forth above with respect to apparatus Claims 1-4, 8 and 9.

As a result of all of the foregoing, it is respectfully submitted that the applied art would not support a §102 anticipatory-type rejection or §103 obviousness-type rejection of Applicant's claims. Accordingly, reconsideration and withdrawal of such §§102 and 103 rejections, and express written allowance of all of the rejected claims, are respectfully requested.

RESERVATION OF RIGHTS

It is respectfully submitted that any and all claim amendments and/or cancellations submitted within this paper and throughout prosecution of the present application are without prejudice or disclaimer. Further, Applicant respectfully reserves all rights to file subsequent related application(s) (including reissue applications) directed to any/all previously claimed limitations/features which have been subsequently amended or cancelled, or to any/all limitations/features not yet claimed, *i.e.*, Applicant continues (indefinitely) to maintain no intention or desire to dedicate or surrender any limitations/features of subject matter of the present application to the public.

EXAMINER INVITED TO TELEPHONE

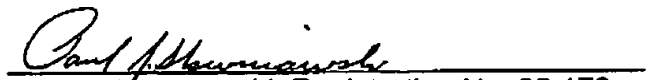
The Examiner is invited to telephone the undersigned at the local D.C. area number of 703-312-6600, to discuss an Examiner's Amendment or other suggested action for accelerating prosecution and moving the present application to allowance.

CONCLUSION

In view of the foregoing amendments and remarks, Applicant respectfully submits that the claims listed above as presently being under consideration in the application are now in condition for allowance. Accordingly, early allowance of such claims is respectfully requested.

Filed concurrently herewith is a RCE and a Petition for Extension of Time. To whatever other extent is actually appropriate and necessary, Applicant petitions for an extension of time under 37 CFR §1.136. Also filed concurrently herewith is a Form PTO-2038 authorizing payment of fees. Please charge any actual shortage in fees to ATSK Deposit Account No. 01-2135 (as Case No. 520.37550X00).

Respectfully submitted,



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Concurrent Submissions:
Request for Continued Examination
Petition for Extension of Time
Form PTO-2038 (Fee Codes 1801/1201/1251)